

# FISCAL NOTE

## HB 2016 - SB 2090

March 9, 2005

**SUMMARY OF BILL:** Authorizes the state, any county or municipality, or any other subdivision or public agency to issue debt for and to amortize the purchase of computer software. Includes computer software as equipment for capitalization purposes.

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact - To the extent the state issues debt to pay for computer software, state expenditures for any one year would be reduced because such purchases would not be expensed in the year such equipment is purchased, but amortized over a longer period of time. However, state expenditures would increase by the cost of capital utilized to make such purchases.**

Assumptions:

- The state currently reports any purchased software costing over \$5,000 as equipment in the annual financial report.
- To the extent the state issues debt to pay for computer software, state expenditures for any one year would be reduced because such purchases would not be expensed in the year such equipment is purchased, but amortized over a longer period of time. However, state expenditures would increase by the cost of capital utilized to make such purchases.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James W. White, Executive Director